

# NAFTA'S IMPACT ON AMERICA'S DRUG PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Ms. KAPTUR] is recognized for 5 minutes.

(Ms. KAPTUR asked and was given permission to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, let me also add my congratulations and thanks to Keith Jewell, who has served as chief in our Office of Photography for so many years, for his distinguished service, for his courtesy, for his good humor, for all the years that he has served here, and we wish him very well in his future endeavors. We hope he will stop back many times to see us.

Mr. Speaker, today I would like to call upon the Clinton administration to convene a very high level working group, reporting directly to the President, to address the ever more serious and growing illicit drug trafficking problem facing us from Mexico, Central America, and South America.

This drug scourge is truly crippling our Nation: every one of our neighborhoods, every town, every city, 80 percent of the crime in this country, the burglaries, the robberies, murder, 80 percent of the people in our prisons and our local jails, all related to the drug problem.

Recently, three penetrating articles appeared in publications across the country that detailed the magnitude of this assault on civilized society. One of them appeared in the Nation magazine on July 10, 1995, written by Andrew Reding, entitled "The Web of Corruption: Narco-politics in Mexico."

He talks about the problem not just being a Mexican problem, of course, but a problem for our country as well. He then points out that integration of our continent's economies, formalized by the North American Free Trade Agreement, is increasingly binding our fates. He talks about the importance of a populous, unstable Mexico corrupted by narco-dollars threatening to subvert prospects for regional economic expansion. He adds that economic integration requires a common political currency, starting with democratic accountability and a rule of law.

Then this past Sunday, in the New York Times, on July 31 and then yesterday, Monday, there were two superb articles summarizing the Mexican connection growing as the chief cocaine supplier to our country. In the article on Sunday and yesterday, the authors expressed a concern that the fate of the North American Free Trade Agreement [NAFTA], got caught up in collusion by our Government with the Government of Mexico to not deal with the growing drug problems in order not to jeopardize the passage of that treaty.

The article says that both the Clinton and Bush administrations kept the problems of drugs and corruption from jeopardizing the trade accord and the new economic partnership that it symbolized. A senior official for inter-

national drug policy in our government was quoted in the article as saying, "People desperately wanted drugs not to become a complicating factor for NAFTA and there was a degree of illicit activity that was just accepted."

"What a shame for us as a country," the article states. It talks about a community just south of our border in Ciudad Juarez, Mexico, where the bodies of police informants, people who want to try to help, turn up around this sprawling border city, their mouths sometimes stuffed with one of the fingers that they might have pointed at drug traffickers. If you try to be an honest citizen, if you try to help, you can be sure that you will be shot for your desire to try to deal with this critical issue.

As Mexico's political and economic ties to the United States have strengthened, American demand for illegal drugs has helped a new generation of Mexican traffickers to consolidate their power, carving out an ever-larger share of the world's drug trade and posing a growing threat on both sides of the border.

If we do not do something both in the southern United States and in Mexico, Mexico will take over from Colombia in a few years as the traffickers' headquarters of choice, undermining democracy, undermining commercial development and, in fact, undermining the very free trade agreement that was supposed to be helped out by wiping out this drug trafficking.

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American officials, who once trumpeted Mexican cooperation in fighting drugs, now worry that the Government of Mexico has lost control of most of its police. When the authorities located a leading cocaine trafficker last month after his rented Learjet crashed as he flew to a wedding in Guadalajara, they needed army troops to capture him. The city's federal police commander and most of his deputies were on the trafficker's payroll, and while America's officials lavishly praised Mexico's cooperation in fighting drugs under the prior President, Mr. Salinas, growing evidence indicates that protection for the traffickers reached high into his administration.

I urge the American people, I urge President Clinton, to read these articles I am going to put into the RECORD. Let us get serious. Let us deal with a real war on drugs in this country. It is ripping our Nation apart.

(The articles referred to are as follows:)

[From the Nation magazine, July 10, 1995]  
WEB OF CORRUPTION—NARCO-POLITICS IN MEXICO

(By Andrew Reding)

The Tijuana cartel is one of three powerful border cartels that manage the multi-billion-dollar business of transshipping cocaine from Colombia's Cali cartel and heroin from Southeast Asia and Pakistan into the United States. At one end of the border, in Mata-

moros, the Gulf cartel dominates the eastern delivery routes into Texas. The Juárez-based Chihuahua cartel, run by Amado Carrillo Fuentes, dominates the central border. At the other end, strategically straddling the busiest of all border crossings, the Tijuana cartel dominates Pacific delivery routes. To defend this coveted turf from rivals, the Arellanos have hired what amounts to a private army, ranging from federal and state police to members of San Diego gangs.

This is not just a Mexican problem but a U.S. one. Integration of the continent's economies, formalized by the North American Free Trade Agreement, is increasingly binding our fates. A populous, unstable Mexico corrupted by narco-dollars threatens to subvert prospects for regional economic expansion, overwhelm U.S. capacity to absorb immigrants, add to budget deficits with expensive bailouts and, as demonstrated by the harm inflicted on the dollar by the plunge of the peso, undermine our global stature and standard of living. Economic integration mandates a common political currency: democratic accountability and the rule of law.

[From the New York Times, July 30, 1995]

MEXICAN CONNECTION GROWS AS COCAINE SUPPLIER TO U.S.

(By Tim Golden)

CIUDAD JUÁREZ, MEXICO.—The bodies of police informants still turn up around this sprawling border city, their mouths sometimes stuffed with one of the fingers they might have pointed at drug traffickers.

As Mexico's political and economic ties to the United States have strengthened in recent years, American demand for illegal drugs has helped a new generation of Mexican traffickers to consolidate their power, carving out an ever larger share of the world's drug trade and posing a growing threat on both sides of the border.

"If we don't do something, both in the southern United States and in Mexico, Mexico will take over from Colombia in a few years as the traffickers' headquarters of choice," the United States Ambassador to Mexico, James R. Jones, said. "It will undermine democracy. It will undermine commercial development. It will undermine free trade."

American officials who once trumpeted Mexican cooperation in fighting drugs now worry that the Government has lost control of most of its police. When the authorities located a leading cocaine trafficker last month after his rented Learjet crashed as he flew to a wedding in Guadalajara, they needed army troops to capture him. The city's federal police commander and most of his deputies were on the trafficker's payroll, officials said.

While American officials lavishly praised Mexico's cooperation in fighting drugs under Mr. Salinas, growing evidence indicates that protection for the traffickers reached high into his Administration. Those directly implicated in taking bribes include former federal police commanders and two of the administration's three drug enforcement directors.

American officials say huge amounts of drug money have flowed into Mexico's tourism, transportation and construction industries, helping to fuel the speculative rise of the economy until last year. Without offering details, a senior F.B.I. official, James Moody, asserted recently that many of the state-owned companies privatized under Mr. Salinas had been bought by traffickers.

The bursts of violence that have attended the traffickers' rise have led many Mexicans to fear that their country is sliding toward the sort of terror that the Medellín cocaine cartel unleashed on Colombia during the late 1980's and early 1990's.

In the last three years, the victims of drug-related shootings have included the Roman Catholic Cardinal of Guadalajara, a crusading police chief of Tijuana, two former state prosecutors and more than a dozen active and retired federal police officials.

#### TRADE PACT HELPS ALL ENTREPRENEURS

Law enforcement officials say more and more drug cargoes are moving through Mexico into the United States as part of the widening flow of legal commerce between the two countries.

Clinton Administration officials insist that the 19-month-old trade agreement has not quickened the flow of drugs through Mexico. But United States Customs Service officials acknowledge that the smugglers are moving more of their drugs into the United States taking advantage of rising truck traffic and a falling rate of inspections.

[From the New York Times, July 31, 1955]

TO HELP KEEP MEXICO STABLE, U.S. SOFT-  
PEDALED DRUG WAR

(By Tim Golden)

Concerned for Mexican stability and the fate of the North American Free Trade Agreement, officials said, the United States often exaggerated the Mexican Government's progress in the fight against drugs, playing down corruption and glossing over failures.

Above all, though, American officials said they were kept in check by the desire of the Clinton and Bush Administrations to keep problems of drugs and corruption from jeopardizing the trade accord and the new economic partnership it symbolized.

"People desperately wanted drugs not to become a complicating factor for Nafta," said John P. Walters, a senior official for international drug policy in the Bush White House. "There was a degree of illicit activity that was just accepted."

Mexican and American officials also acknowledged that at least half a dozen top-level traffickers, including the man now considered Mexico's most powerful cocaine smuggler, Amado Carrillo Fuentes, were arrested during the Salinas Government and quietly freed by corrupt judges or the police.

#### A MODEST INCREASE IN THE MINIMUM WAGE WOULD BOOST THE ECONOMY

The SPEAKER pro tempore (Mr. METCALF). Under a previous order of the House, the gentlewoman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

Mrs. CLAYTON. Mr. Speaker, I was troubled, although not surprised, recently when I learned of the plans of a company in my district to relocate certain of its production to other places and to eliminate or relocate about 1,000 jobs, over a 5-year period.

The downsizing of this plant is part of a disturbing trend that is sweeping the Nation.

According to recent, credible news reports, across America, corporate profits are soaring, while wages remain stagnant and consumer spending continues to slow. Despite profits that are at a 45-year high, Businessweek magazine reports that a "hard-nosed, cost-cutting philosophy \* \* \* has spread through executive suites in the 1990s."

Although the fine details surrounding the company in my district's decision have not been revealed, a press re-

lease from the company indicates that their goal is to ensure the "supply of the highest quality medicines in the most cost-efficient manner." The press release also indicates that many of the operations at the plant "will be transferred to other sites around the world."

Far too often these days, the need for greater efficiency and the consideration of other locations has meant that corporations have sought cheaper labor venues.

The Businessweek article recounts the decision by a company, founded and based in Milwaukee since 1909, that decided to move 2,000 jobs to other States where lesser wages could be paid.

The Washington Post made findings similar to Businessweek in a recent, published article. Citing data from the Bureau of Labor Statistics, the Post confirmed that productivity and profits are rising, but workers pay and benefits is the smallest since 1981.

According to the Post, workers pay has "been falling on an inflation-adjusted basis for nearly 20 years." It is understandable that business would seek to be more competitive by cutting costs and reducing payrolls. But, this approach can be short-sighted with other considerations.

The Post article quotes Labor Secretary Robert B. Reich, who observed that, "workers are also consumers, and at some point American workers won't have enough money in their pockets to buy all the goods and services they are producing."

Ultimately, the operations at the plant in my district and others that produce the various products, are financed by the very workers who now face job loss and relocation.

The gap in income is growing between those who have a lot of money and those who have less or little money. That is unacceptable.

According to an earlier article in Business Week, the income gap "hurts the economy." Almost half of the money in America is in the hands of just 20 percent of the people. That top 20 percent is made up of families with the highest incomes. The bottom 20 percent has less than 5 percent of the money in their hands. A modest increase in the minimum wage could help the bottom 20 percent, and, it will not hurt the top 20 percent.

But, more importantly, a modest increase in the minimum wage will result in increases in other wages, and ultimately a lifting of the standard of living for all workers, a narrowing of the income gap between the very rich and other Americans and a boost to the economy.

The Department of Labor's Bureau of Labor Statistics recently released a report entitled, "A Profile of the Working Poor, 1993." In that report the Bureau found that in 1993, 1 in 5 or 8.2 million of the 40 million people in poverty in this Nation, had a job.

The study further pointed out that the poverty rate for the families of

working people in America is 7.5 percent, a rate that has been increasing over the past 4 years.

Most disturbing, children, according to the report, were present in 85 percent of all poor families with at least one worker.

Between 1980 and 1992, income for the top 20 percent increased by 16 percent. During that same period, income for the bottom 20 percent declined by 7 percent. For the first 10 of those 12 years, between 1980 and 1990, there were no votes to increase the minimum wage. Without an increase in the minimum wage, those with little money end up with less money. That is because the cost of living continues to rise.

Mr. Speaker, that amount of money makes a big difference in the ability of families to buy food and shelter, to pay for energy to heat their homes, and to be able to clothe, care for and educate their children. That amount of money makes the difference between families with abundance and families in poverty. An increase in the minimum wage would not provide abundance, but I can raise working families out of poverty.

An increase in the minimum wage can be the kind of spark the economy needs to get moving again.

It makes little sense to discuss welfare reform when working full time does not make a family any better off than being on welfare full time. Work should be a benefit. It should not be a burden. Work is a burden when, despite an individuals best effort, living is an unrelenting, daily struggle. Work is a benefit when enough is earned to pay for essentials.

In addition, a recent study indicates that job growth in America is lowest where the income gap is widest. Closing the gap helps create jobs rather than reduce jobs. Those who argue that an increase in the minimum wage will cause job losses, fail to look at the facts. The fact is that not increasing the minimum wage has caused job losses.

Mr. Speaker, there are 117,000 minimum wage workers in North Carolina. Those workers are not just numbers. They are people, with families and children.

They are farmers and food service workers, mechanics and machine operators. They are in construction work and sales, health and cleaning services, and a range of other occupations. Their families helped build this Nation, and they can help rebuild it.

They do not need charity, they need a chance. A chance is a modest increase in the minimum wage. We should reward work, Mr. Speaker, stimulate the economy and lift this Nation up. We have time for Waco and Whitewater, let us make time for wages.

#### TRAVEL EXPENSES AT THE DEPARTMENT OF ENERGY

The SPEAKER pro tempore. Under the Speaker's announced policy of may